1984

Session Law 84-202

Florida Senate & House of Representatives
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By Representative Wallace

A bill to be entitled

An act relating to health insurance; amending ss. 627.641 and 627.6575, F.S., expanding mandated coverage for newborn children in individual, group, blanket, and franchise health insurance policies; reenacting s. 627.6515(2), F.S., to incorporate the amendment to s. 627.6575, F.S., in a reference thereto; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 627.641, Florida Statutes, 1982 Supplement, is amended to read:

627.641 Coverage for newborn children.--

(1) All health insurance policies providing coverage on an expense-incurred basis and all health care services plan contracts issued by a nonprofit corporation which provide coverage for a member of the family of the insured or subscriber shall, as to such family member's coverage, also provide that the health insurance benefits applicable for children shall be payable with respect to a newborn child of the insured or subscriber, or family member of the insured or subscriber, from the moment of birth.

(2) The coverage for newborn children shall consist of coverage for injury or sickness, including the necessary care or treatment of medically diagnosed congenital defects, birth abnormalities, or prematurity, and transportation costs of the newborn to and from the nearest available facility appropriately staffed and equipped to treat the newborn's condition, when such transportation is certified by the
attending physician as necessary to protect the health and
safety of the newborn child. The coverage of such
transportation costs shall not exceed the usual and customary
charges, up to $1,000.
(3) This section does not apply to disability income
or hospital indemnity policies or to normal maternity policy
provision applicable to the mother.

Section 1. Section 627.6575, Florida Statutes, 1982
Supplement, is amended to read:

627.6575 Coverage for newborn children.--
(1) All group, blanket, or franchise health insurance
policies providing coverage on an expense-incurred basis, and
group, blanket, or franchise health care services plan
contracts issued by a nonprofit corporation, which provide
coverage for a family member of the certificateholder or
subscriber shall, as to such family member's coverage, also
provide that health insurance benefits applicable for
children shall be payable with respect to a newborn child of
the certificateholder or subscriber or family member of the
certificateholder or subscriber, from the moment of birth
of

(2) The coverage or certain children shall consist of

coverage for:
(a) Any of illness, including the necessary care
or treatment of medically diagnosable congenital defects, birth
abnormalities, or prematurity, and transportation costs of the
newborn to and from the nearest available facility
(appropriately staffed and equipped to treat the newborn's
condition when transportation is certified by the
attending physician as necessary to protect the health and
safety of the newborn child. The coverage of such
transportation on costs shall not exceed the usual and customary
charge, up to $1,000.

CODING NOTE: Words stricken or deleted, shown in roman letters, underlined, are deletions. Words underscored, are additions.
(3) The benefits provided by this section apply to holders of group certificates which are delivered or issued for delivery to residents of this state under group policies effectuated or delivered outside this state. This section does not apply to disability income or hospital indemnity policies or to normal maternity policy provisions applicable to the mother.

Section 3. For the purpose of incorporating the amendment to section 627.6575, Florida Statutes, 1982 Supplement, in a reference thereto, subsection (2) of section 627.6515, Florida Statutes, 1982 Supplement, is reenacted to read:

627.6515 Out-of-state group.--

(2) This part does not apply to a group health insurance policy issued or delivered outside this state under which a resident of this state is provided coverage if:

(a) The policy is issued to an employee group the composition of which is substantially as described in s. 627.653; a labor union group or association group the composition of which is substantially as described in s. 627.654; an additional group the composition of which is substantially as described in s. 627.656; a group insured under a blanket health policy when the composition of the group is substantially in compliance with s. 627.659; a group insured under a franchise health policy when the composition of the group is substantially in compliance with s. 627.663; an association group to cover persons associated in any other common group, which common group is formed primarily for purposes other than providing insurance; a group which is established primarily for the purpose of providing group insurance, provided the benefits are reasonable in relation to

CODING Words in struck through type are deletions from existing law, words underlined are additions
the premiums charged thereunder and the issuance of the group
policy has resulted, or will result, in economies of
administration; or a group of insurance agents of an insurer,
which insurer is the policyholder;

(b) Certificates evidencing coverage under the policy
are issued to residents of this state and contain in
contrasting color and not less than 10-point type the
following statement: "The benefits of the policy providing
your coverage are governed primarily by the law of a state
other than Florida"; and

(c) The policy provides the benefits specified in ss.
627.6575, 627.667, and 627.6675.

Section 4. This act shall take effect October 1, 1984.

******************************
HOUSE SUMMARY

Expands mandated coverage for newborn children in
individual, group, blanket, and franchise health
insurance policies to include the newborn child of a
family member of the insured or subscriber.
HB 677—A bill to be entitled An act relating to insurance, amending s. 624.404, F.S., providing an additional exception to certain eligibility requirements for foreign or alien insurers to transact business in the state, amending s. 624.406, F.S., providing additional insuring powers for life and health insurers, amending s. 629.401, F.S., authorizing an insurance exchange to underwrite surplus lines insurance in other states, providing an effective date.

—a companion measure, was substituted for SB 781 and read the second time by title

Senator Henderson moved the following amendment which was adopted

Amendment 1—On page 3, strike all of line 21 and insert: Section 4 This act shall take effect upon becoming a law

On motion by Senator Henderson, by two-thirds vote HB 677 as amended was read the third time by title, passed and certified to the House. The vote on passage was

Yeas—34
Mr President Frank Jennings Plummer
Barron Gersten Johnson Rehm
Beard Girardeau Landley Scott
Carlucci Girardeau Malchon Thomas
Castor Grant Mann Thurman
Childers, D. Grizzle Malchon Thomas
Childers, W D. Hair Margolis Vogt
Crawford Hill Myers
Deratany Jenne Weinsteine

Nays—None

Vote after roll call.

Yea—Kirkpatrick, Stuart
SB 781 was laid on the table.

On motion by Senator Hill, the rules were waived and by two-thirds vote HB 747 was withdrawn from the Committee on Economic, Community and Consumer Affairs.

On motion by Senator Hill—

HB 747—A bill to be entitled An act relating to electrical standards; amending s. 553.19, F.S., prescribing minimum electrical standards, providing an effective date

—a companion measure, was substituted for SB 488 and read the second time by title. On motion by Senator Hill, by two-thirds vote HB 747 was read the third time by title, passed and certified to the House. The vote on passage was:

Yeas—35
Mr President Frank Jennings Neale
Barron Gersten Jennings Neale
Beard Girardeau Johnson Plummer
Carlucci Gordon Landley Rehm
Castor Grant Landley Scott
Childers, D. Grizzle Malchon Thomas
Childers, W D. Hair Margolis Vogt
Crawford Hill McPherson Weinsteine
Fox Hill Myers

Nays—None

Vote after roll call.

Yea—Kirkpatrick, Stuart
SB 488 was laid on the table.

On motion by Senator Jenne, the rules were waived and by two-thirds vote HB 969 was withdrawn from the Committee on Education.

On motion by Senator Jenne—

HB 969—A bill to be entitled An act relating to education, amending s. 231.17, F.S., requiring fingerprinting for teacher certification, providing for fingerprinting of substitute teachers; amending s. 231.28, F.S., relating to the Education Practices Commission, to require superintendents to report persons convicted of certain offenses, providing an effective date

—a companion measure, was substituted for SB 677 and read the second time by title. On motion by Senator Jenne, by two-thirds vote HB 969 was read the third time by title, passed and certified to the House. The vote on passage was.

Yeas—34
Mr President Fox Jennings Plummer
Barron Frank Johnston Rehm
Beard Gersten Langley Scott
Carlucci Girardeau Malchon Thomas
Childers, D. Grant Mann Thurman
Childers, W D. Hair Margolis Vogt
Crawford Hill Myers
Deratany Jenne Neale

Nays—None

Vote after roll call.

Yea—Kirkpatrick, Stuart
SB 677 was laid on the table.

SB 321—A bill to be entitled An act relating to consumer loans, amending s. 516.031, F.S., providing that the limitation on charges received by a consumer finance company shall apply only to charges received as a condition to the grant of a loan; authorizing charges for the premium payable for insurance in lieu of perfecting a security interest, authorizing the imposition of a bad check charge; authorizing the inclusion in the principal of a new loan of the accrued interest on a prior loan used as consideration for such loan; amending s. 516.15, F.S., deleting the requirement that consumer finance licensees furnish borrowers a copy of s. 516.031, F.S.; authorizing licensees to furnish borrowers an annual statement in lieu of a receipt for each payment except for cash payments, amending s. 516.20, F.S., limiting the definition of "interest," amending s. 687.08, F.S., authorizing a lender to furnish an annual statement to a borrower in lieu of a receipt for each payment except for cash payments, providing an effective date.

—was read the second time by title. On motion by Senator Jennings, by two-thirds vote SB 321 was read the third time by title, passed and certified to the House. The vote on passage was

Yeas—35
Mr President Frank Jennings Neale
Barron Gersten Johnson Plummer
Carlucci Girardeau Kirkpatrick Rehm
Castor Grant Langley Scott
Childers, D. Grizzle Malchon Thomas
Childers, W D. Hair Mann Thurman
Crawford Henderson Margolis Vogt
Deratany Hill McPherson Weinsteine
Fox Jenne Myers

Nays—None

SB 682—A bill to be entitled An act relating to health insurance, amending ss. 627.641 and 627.6575, F.S., expanding mandated coverage for newborn children in individual, group, blanket, and franchise health insurance policies; reenacting s. 627.6515(2), F.S., to incorporate the amendment to ss. 627.6515, F.S., in a reference thereto, providing an effective date.

—was read the second time by title

The Committee on Commerce recommended the following amendments which were moved by Senator Johnston and adopted

Amendment 1—On page 1, strike all of lines 23 and 24 and insert the insured or subscriber, or covered family member of the insured or subscriber, from the moment of birth. However, with respect to a newborn child of a covered family member of the insured or subscriber, the coverage for the newborn child shall terminate eighteen months after the birth of the newborn child

Amendment 2—On page 2, strike all of lines 19 and 20 and insert the certificateholder or subscriber, or covered family member of the certificateholder or subscriber, from the moment of birth. However, with respect to a newborn child of a covered family member of the certificateholder or subscriber, the coverage for the newborn child shall terminate eighteen months after the birth of the newborn child

SB 682 was read the third time by title, passed and certified to the House. The vote on passage was.

Yeas—35
Mr President Frank Jennings Neale
Barron Gersten Johnston Plummer
Carlucci Girardeau Kirkpatrick Rehm
Castor Grant Langley Scott
Childers, D. Grizzle Malchon Thomas
Childers, W D. Hair Mann Thurman
Crawford Henderson Margolis Vogt
Deratany Hill McPherson Weinsteine
Fox Jenne Myers

Nays—None

Vote after roll call.
May 17, 1984

JOURNAL OF THE SENATE

On motion by Senator Johnston, by two-thirds vote SB 682 as amended was read the third time by title, passed, ordered engrossed and then certified to the House. The vote on passage was:

Years—36

Mr President    Yeas—30
Beard             Jennings    Nays—None
Carlucci          Langley     Gender: 12121, F.S., authorizing elected state
Childers, D.      Kirkpatrick  officers whose terms have been or may be shortened by reapportionment to
Childers, W. D.   Rehm        pay into the system trust fund the amount of contributions that would
Crawford         Thomas       have been made on their behalf, plus interest, after the term of office to
Deratany         Margolis     terminate. The Senate resumed consideration of—
Fox              Vogt         SB 376—A bill to be entitled An act relating to drivers' licenses; pro-
Frank            Myers        viding state or distribution of liquor; amending s. 56120, F.S.; providing
Jenne            Weinstein   that qualified beach or cabana clubs may serve or distribute liquor upon
McPherson      
Plummer

Mr President    Yeas—27
Beard             Jennings    Nays—None
Carlucci          Johnston    Vote after roll call:
Childers          Langley     Yea—Kirkpatrick, Rehm
Childers, D.      Malchon     SB 581—A bill to be entitled An act relating to club licenses for the
Childers, W. D.   Thomas      service or distribution of liquor; amending s. 56120, F.S.; providing that
Crawford         Margolis     qualified beach or cabana clubs may serve or distribute liquor upon pay-
Deratany         Vogt        ment of the club license tax, providing qualifications, providing an effec-
Fox              Myers        tive date
Jenne            Weinstein   SB 126—A bill to be entitled An act relating to school personnel,
McPherson       Plummer     amending s. 23140, F.S., authorizing collective bargaining agreements to

Mr President    Yeas—34
Beard             Jennings    change employee sick leave benefits with respect to a sick pool, pro-
Carlucci          Johnston    viding an effective date
Childer, D.       Malchon     —was read the second time by title. On motion by Senator Mann, by
eighty     Thomas
Childers, D.      Margolis     two-thirds vote SB 126 was read the third time by title, passed and
two-thirds vote SB 126 was read the third time by title, passed and certi-
Fox              Vogt        fied to the House. The vote on passage was:
Frank            Myers        Yeas—35

Mr President    Yeas—None
Beard             Jennings    Vote after roll call:
Carlucci          Johnston    Yeas—Castor
Caster            Langley     CS for SB 36—A bill to be entitled An act relating to the Florida
Childers, D.      Kirkpatrick  Retirement System, creating s. 12121, F.S.; authorizing elected state
Childers, W. D.   Rehm        officers whose terms have been or may be shortened by reapportionment
to pay into the system trust fund the amount of contributions that would
Crawford         Thomas       have been made on their behalf, plus interest, after the term of office to
Deratany         Margolis     which elected is completed and to receive service credit therefor, provid-
Fox              Vogt        ing an effective date
Frank            Myers        —was read the second time by title. On motion by Senator Langley, by
two-thirds vote SB 36 was read the third time by title, passed and
certified to the House. The vote on passage was:

Mr President    Yeas—32
Beard             Jennings    Nays—None
Carlucci          Johnston    Vote after roll call:
Caster            Langley     Yea—Kirkpatrick, Rehm
Childers, D.      Malchon     The Senate resumed consideration of—
Childers, W. D.   Thomas      SB 376—A bill to be entitled An act relating to drivers' licenses; pro-
Crawford         Margolis     viding state or distribution of liquor; amending s. 32212, F.S., requiring
deriver's license examination of persons licensed in another state or country, increasing the
Deratany         Vogt        initial examination fee for a driver's license, providing an effective date
Fox              Myers        SB 376 as amended was read by title, passed, ordered engrossed and then
certified to the House. The vote on passage was:
Frank            Weinstein   Yeas—29

Mr President    Yeas—27
Beard             Jennings    Nays—2
Carlucci          Johnston    Vote after roll call:
Caster            Malchon     Yea—Kirkpatrick, Rehm
Childers, D.      Thomas      The Senate resumed consideration of—
Childers, W. D.   Margolis     SB 376—A bill to be entitled An act relating to drivers' licenses; pro-
Crawford         Vogt        viding state or distribution of liquor; amending s. 32212, F.S., requiring
Frank            Myers        driver's license examination of persons licensed in another state or country, increasing the
Gersten          Jennings     initial examination fee for a driver's license, providing an effective date
Girardeau       Plummer

Mr President    Yeas—2
Beard            Mann        Nays—2
Carlucci          Margolis     Vote after roll call:
Childers, D.      Thurman   Yea—Kirkpatrick, Rehm
Childers, W. D.  Vogt        Nay—Grant
Crawford         Vogt        Nay to Nay—Scott
Deratany         Myers
Fox              Plummer
Frank            Weinstein   SB 525 was laid on the table
I. SUMMARY AND PURPOSE

Florida law presently provides that insurance policies which provide insurance coverage for the insured's family shall provide coverage for newborn children of the insured from the moment of birth.

This bill would require that such coverage be extended to include the newborn children of the insured's family member.

II. CURRENT LAW AND EFFECT OF CHANGES

A. CURRENT LAW

Sections 627.641 and 627.6575, Florida Statutes, require that health insurance policies which provide coverage for family members of the insured shall provide coverage for newborn children of the insured from the moment of birth.

B. EFFECT OF PROPOSED CHANGES

This bill would require that coverage for the insured's newborn children extend to include the newborn children of the insured's family member.

III. ECONOMIC IMPACT CONSIDERATIONS

A. PRIVATE SECTOR CONSIDERATIONS

This bill will increase the availability of health insurance coverage for newborn infants. Therefore there should be increased payments to hospitals from insurers for cases such as those addressed by this bill. Hospitals will be reimbursed for care which is currently either denied to the patient or provided at low/no cost to the patient (with other patients or
government funds paying the cost). Insurers will have increased losses due to additional claims paid.

B. PUBLIC SECTOR CONSIDERATIONS

In that this bill provides a private (i.e. insurance) source of reimbursement for the specified cases, the necessity to provide government funds for such infants will be eliminated, resulting in a savings to the governmental unit providing such funds.

Further the problem of "cost-shifting" unreimbursed costs to other patients would be alleviated, thus aiding efforts to control increased health costs.

IV. COMMENTS

V. AMENDMENTS

Prepared by:

Bill Quattlebaum

Staff Director:

Wyatt T. Martin
STAFF SUMMARY AND ANALYSIS

HB 260 by Wallace
relating to health insurance

DATE: January 17, 1984
REVISED: April 10, 1984
REVISED: ____________

Other Committees of Reference:
Appropriations

IDENTICAL*/SIMILAR BILLS:
SB 682*

EFFECTIVE DATE: October 1, 1984

I. SUMMARY AND PURPOSE

Florida law presently provides that insurance policies which provide insurance coverage for the insured's family shall provide coverage for newborn children of the insured from the moment of birth.

This bill would require that such coverage be extended to include the newborn children of the insured's family member.

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III. ECONOMIC IMPACT CONSIDERATIONS

A. PRIVATE SECTOR CONSIDERATIONS

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West T. Martin, Staff Director
322 The Capitol, Tallahassee, Florida 32303 (904) 488-7824
those addressed by this bill. Hospitals will be reimbursed for care which is currently either denied to the patient or provided at low/no cost to the patient (with other patients or government funds paying the cost). Insurers will have increased losses due to additional claims paid.

B. PUBLIC SECTOR CONSIDERATIONS

In that this bill provides a private (i.e. insurance) source of reimbursement for the specified cases, the necessity to provide government funds for such infants will be eliminated, resulting in a savings to the governmental unit providing such funds.

Further the problem of "cost-shifting" unreimbursed costs to other patients would be alleviated, thus aiding efforts to control increased health costs.

IV. COMMENTS

V. AMENDMENTS

Amendment #1 by Commerce: Provides that, under an individual policy, the coverage for a newborn child of a covered family member terminates when the coverage for the family member terminates, or one year after the birth of the child, whichever is longer.

Amendment #2 by Commerce: Same as amendment #1, but applicable to group health insurance policies.

Prepared by: Brian Deffenbaugh

Staff Director: Wyatt T. Martin
The Committee on Commerce offered the following amendment:

Amendment

On page 1, line 23.

2. STRIKE all of said lines.

3. AND INSERT:

the insured or subscriber, or covered family member of the insured

or subscriber, from the consent of birth. However, with respect to

a newborn child of a covered family member of the insured or subscriber,

the coverage for the newborn child shall terminate upon the date that

the coverage for the family member terminates, or one year after the

birth of the newborn child, whichever comes later.
Amendment

The Committee on Commerce offered the following amendment:

2. STATE: all of said lines

3. AND INSERT:

4. the certificateholder or subscriber, or covered family member of the

5. certificateholder or subscriber, from the moment of birth. However,

6. with respect to a newborn child of a covered family member of the

7. certificateholder or subscriber, the coverage for the newborn child

8. shall terminate upon the date that the coverage for the family member

9. terminates, or one year after the birth of the newborn child, whichever

10. occurs later.

...
Bill Analysis

Florida House of Representatives
H. Law Moffet, Speaker  Steve Pajcic, Speaker pro tempore
Committee on Commerce

Samuel P. Bell, III
Chairman
Dexter W. Lehtinen
Vice Chairman

FINAL STAFF SUMMARY

SB 682 by Johnston
(as enacted by the Legislature)
relating to health insurance
Committee Consideration: Senate Commerce
Identical*/Similar Bills: HB 260*
Date: June 14, 1984
Became Law: June 14, 1984
Ch. 84-202, Laws of Florida
Effective Date: October 1, 1984

I. SUMMARY AND PURPOSE

Florida law presently provides that insurance policies which provide insurance coverage for the insured's family shall provide coverage for newborn children of the insured from the moment of birth.

This bill requires that such coverage be extended to include the newborn children of the insured's family member, with the coverage terminating eighteen months after the birth of the newborn child.

II. CURRENT LAW AND EFFECT OF CHANGES

A. CURRENT LAW

Sections 627.641 and 627.6575, Florida Statutes, require that health insurance policies which provide coverage for family members of the insured shall provide coverage for newborn children of the insured from the moment of birth.

B. EFFECT OF CHANGES

This bill requires that coverage for the insured's newborn children extend to include the newborn children of the insured's family member. Coverage for the newborn child shall terminate eighteen months after the birth of the newborn child.

III. ECONOMIC IMPACT CONSIDERATIONS
A. PRIVATE SECTOR CONSIDERATIONS

This bill will increase the availability of health insurance coverage for newborn infants. Therefore there should be increased payments to hospitals from insurers for cases such as those addressed by this bill. Hospitals will be reimbursed for care which is currently either denied to the patient or provided at low/no cost to the patient (with other patients or government funds paying the cost). Insurers will have increased losses due to additional claims paid.

B. PUBLIC SECTOR CONSIDERATIONS

In that this bill provides a private (i.e. insurance) source of reimbursement for the specified cases, the necessity to provide government funds for such infants will be eliminated, resulting in a savings to the governmental unit providing such funds.

Further the problem of "cost-shifting" unreimbursed costs to other patients would be alleviated, thus aiding efforts to control increased health costs.

IV. COMMENTS

None

V. LEGISLATIVE HISTORY

SB 682, as originally introduced, extended insurance coverage to newborn children of the insured's family member without any limitation as to the length of coverage. In this form the House companion, HB 260, was heard in the Subcommittee on Health Care and Life and Health Insurance of the House Commerce Committee on April 9, 1984. The bill passed Subcommittee and was heard before the full Commerce Committee on April 11, 1984. At this time the Commerce Committee amended the bill providing that under an individual or group policy the coverage for a newborn child of a covered family member terminated upon the date that the coverage for the family member terminated or one year after the birth of the child, whichever was longer. The Committee passed the bill as amended.

On May 5, 1984, the Appropriations Committee passed a committee substitute, CS/HB 260. The substitute placed a limitation on the length of coverage by terminating coverage for the newborn child eighteen months after his or her birth.

On May 8, 1984, the Senate Commerce Committee passed the Senate counterpart, SB 682, amending it to correlate with CS/HB 260. On May 17, the Senate passed the bill, 36-0 (SJ 321).

On May 22, 1984, the House substituted SB 682 for CS/HB 260 and read the bill for the second time. The following day the House passed the bill, 104-4 (HJ 542).

On June 13, 1984, the Governor signed SB 682, enacted as Chapter 84-202, Laws of Florida.

Prepared by: Tom Cooper

Staff Director: Wyatt T. Martin
A bill to be entitled
An act relating to health insurance; amending
ss. 627.641 and 627.6575, F.S., expanding
mandated coverage for newborn children in
individual, group, blanket, and franchise
health insurance policies; reenacting
s. 627.6515(2), F.S., to incorporate the
amendment to s. 627.6575, F.S., in a reference
thereto; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 627.641, Florida Statutes, 1982
Supplement, is amended to read:

627.641 Coverage for newborn children.--

(1) All health insurance policies providing coverage
on an expense-incurred basis and all health care services plan
contracts issued by a nonprofit corporation which provide
coverage for a member of the family of the insured or
subscriber shall, as to such family member's coverage, also
provide that the health insurance benefits applicable for
children shall be payable with respect to a newborn child of
the insured or subscriber, or family member of the insured or
subscriber, from the moment of birth.

(2) The coverage for newborn children shall consist of
coverage for injury or sickness, including the necessary care
or treatment of medically diagnosed congenital defects, birth
abnormalities, or prematurity, and transportation costs of the
newborn to and from the nearest available facility
appropriately staffed and equipped to treat the newborn's
condition, when such transportation is certified by the

CODING: Words in struck through type are deletions from existing law, words underlined are additions.
attending physician as necessary to protect the health and
safety of the newborn child. The coverage of such
transportation costs shall not exceed the usual and customary
charges, up to $1,000.

(3) This section does not apply to disability income
or hospital indemnity policies or to normal maternity policy
provisions applicable to the mother.

Section 2. Section 627.6575, Florida Statutes, 1982
Supplement, is amended to read:

627.6575 Coverage for newborn children.--
(1) All group, blanket, or franchise health insurance
policies providing coverage on an expense-incurred basis, and
group, blanket, or franchise health care services plan
contracts issued by a nonprofit corporation, which provide
coverage for a family member of the certificateholder or
subscriber shall, as to such family member's coverage, also
provide that the health insurance benefits applicable for
children shall be payable with respect to a newborn child of
the certificateholder or subscriber, or family member of the
certificateholder or subscriber, from the moment of birth.

(2) The coverage for newborn children shall consist of
coverage for injury or sickness, including the necessary care
or treatment of medically diagnosed congenital defects, birth
abnormalities, or prematurity, and transportation costs of the
newborn to and from the nearest available facility
appropriately staffed and equipped to treat the newborn's
condition, when such transportation is certified by the
attending physician as necessary to protect the health and
safety of the newborn child. The coverage of such
transportation costs shall not exceed the usual and customary
charges, up to $1,000.
The benefits provided by this section apply to holders of group certificates which are delivered or issued for delivery to residents of this state under group policies effectuated or delivered outside this state. This section does not apply to disability income or hospital indemnity policies or to normal maternity policy provisions applicable to the mother.

Section 3. For the purpose of incorporating the amendment to section 627.6575, Florida Statutes, 1982 Supplement, in a reference thereto, subsection (2) of section 627.6515, Florida Statutes, 1982 Supplement, is reenacted to read:

627.6515 Out-of-state group.—

(2) This part does not apply to a group health insurance policy issued or delivered outside this state under which a resident of this state is provided coverage if:

(a) The policy is issued to an employee group the composition of which is substantially as described in s. 627.653; a labor union group or association group the composition of which is substantially as described in s. 627.654; an additional group the composition of which is substantially as described in s. 627.656; a group insured under a blanket health policy when the composition of the group is substantially in compliance with s. 627.659; a group insured under a franchise health policy when the composition of the group is substantially in compliance with s. 627.663; an association group to cover persons associated in any other common group, which common group is formed primarily for purposes other than providing insurance; a group which is established primarily for the purpose of providing group insurance, provided the benefits are reasonable in relation to

CODING: Words in struck through type are deletions from existing law, words underlined are additions.
the premiums charged thereunder and the issuance of the group policy has resulted, or will result, in economies of administration; or a group of insurance agents of an insurer, which insurer is the policyholder;

(b) Certificates evidencing coverage under the policy are issued to residents of this state and contain in contrasting color and not less than 10-point type the following statement: "The benefits of the policy providing your coverage are governed primarily by the law of a state other than Florida"; and

(c) The policy provides the benefits specified in ss. 627.6575, 627.667, and 627.6675.

Section 4. This act shall take effect October 1, 1984.

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HOUSE SUMMARY

Expands mandated coverage for newborn children in individual, group, blanket, and franchise health insurance policies to include the newborn child of a family member of the insured or subscriber.
I. SUMMARY:

A. Present Situation:

Florida currently provides that insurance policies which provide health insurance coverage for the insured's family must provide coverage for newborn children of the insured from the moment of birth. The coverage for newborns includes coverage for injury or sickness, including congenital defects, birth abnormalities, prematurity, and up to $1,000 of transportation costs of the newborn to appropriately staffed and equipped special care facilities.

Under an effective policy, such coverage extends until the child reaches the age of majority (presently age 18) or longer under certain contractual policy provisions.

B. Effect of Proposed Changes:

This bill would extend newborn coverage to include the newborn children of the insured's family member covered under the original policy.

II. ECONOMIC IMPACT AND FISCAL NOTE:

A. Public:

This bill would increase the availability of health insurance coverage for newborn infants. Newborns of children 18 and under are presently not covered as a family member under the insured's policy. Therefore hospital charges for such births are out-of-pocket expenses for family members or others, provided at low or no cost to the patient, or paid from government funds. This bill would increase payments to hospitals from insurers in such cases. Insurers would also have increased losses due to additional claims paid. Because the bill does not specify an additional assessment of premium charge, it is assumed that insurers would be unable to charge an additional premium and such benefits, would then be absorbed by the current premium amount.

Further, the problem of "cost-shifting" unreimbursed costs to other patients would be somewhat alleviated, thus aiding efforts to control increased health costs.

B. Government:

In that this bill provides a private (i.e. insurance) source of reimbursement for the specified cases, the necessity to provide government funds for such infants would be eliminated, resulting in a savings to the governmental unit providing such funds.
III. COMMENTS:

IV. AMENDMENTS:

None.
I. SUMMARY:

A. Present Situation:

Florida currently provides that insurance policies which provide health insurance coverage for the insured's family must provide coverage for newborn children of the insured from the moment of birth. The coverage for newborns includes coverage for injury or sickness, including congenital defects, birth abnormalities, prematurity, and up to $1,000 of transportation costs of the newborn to appropriately staffed and equipped special care facilities.

Under an effective policy, such coverage extends until the child reaches the age of majority (presently age 18) or longer under certain contractual policy provisions.

B. Effect of Proposed Changes:

This bill would extend newborn coverage to include the newborn children of the insured's family member covered under the original policy.

II. ECONOMIC IMPACT AND FISCAL NOTE:

A. Public:

This bill would increase the availability of health insurance coverage for newborn infants. Newborns of children 18 and under are presently not covered as a family member under the insured's policy. Therefore hospital charges for such births are out-of-pocket expenses for family members or others, provided at low or no cost to the patient, or paid from government funds. This bill would increase payments to hospitals from insurers in such cases. Insurers would also have increased losses due to additional claims paid. Because the bill does not specify an additional assessment of premium charge, it is assumed that insurers would be unable to charge an additional premium and such benefits, would then be absorbed by the current premium amount.

Further, the problem of "cost-shifting" unreimbursed costs to other patients would be somewhat alleviated, thus aiding efforts to control increased health costs.

B. Government:

In that this bill provides a private (i.e. insurance) source of reimbursement for the specified cases, the necessity to provide government funds for such infants would be eliminated, resulting in a savings to the governmental unit providing such funds.
III. COMMENTS:

IV. AMENDMENTS:

    #1 and 2 By Commerce: Limits coverage of the newborn child of a covered family member of the insured to 18 months.
SUMMARY:

A. Present Situation:

Florida currently provides that insurance policies which provide health insurance coverage for the insured's family must provide coverage for newborn children of the insured from the moment of birth. The coverage for newborns includes coverage for injury or sickness, including congenital defects, birth abnormalities, prematurity, and up to $1,000 of transportation costs of the newborn to appropriately staffed and equipped special care facilities. Under an effective policy, such coverage extends until the child reaches the age of majority (presently age 18) or longer under certain contractual policy provisions.

B. Effect of Proposed Changes:

This bill would extend newborn coverage to include the newborn children of the insured's family member covered under the original policy. The coverage for such newborn child terminates eighteen months after the birth of the newborn child.

II. ECONOMIC IMPACT AND FISCAL NOTE:

A. Public:

This bill would increase the availability of health insurance coverage for newborn infants. Newborns of children 18 and under are presently not covered as a family member under the insured's policy. Therefore hospital charges for such births are out-of-pocket expenses for family members or others, provided at low or no cost to the patient, or paid from government funds. This bill would increase payments to hospitals from insurers in such cases. Insurers would also have increased losses due to additional claims paid. Because the bill does not specify an additional assessment of premium charge, it is assumed that insurers would be unable to charge an additional premium and such benefits would then be absorbed by the current premium amount.

Further, the problem of "cost-shifting" unreimbursed costs to other patients would be somewhat alleviated, thus aiding efforts to control increased health costs.

B. Government:
In that this bill provides a private (i.e. insurance) source of reimbursement for the specified cases, the necessity to provide government funds for such infants would be eliminated, resulting in a savings to the governmental unit providing such funds.

III. COMMENTS: